# Town of Frederick Town Board



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#### IM 2009-010

#### TOWN OF FREDERICK UTILITY FEE COLLECTION PRACTICES

Agenda Date:	Town Board Meeting – April 14, 2009
Attachments:	a. Proposed Ordinance
Issue/Request:	
This request would amend the Frederick Municipal Code 1992 by adopting a revised utility fee collection schedule and repealing all ordinances that conflict with the new schedule.	
Submitted by:	Mucia Lieman Finance/HR Director
Approved for Presen	Town Administrator
AV Use Anticipated	Projector Laptop
Certification of Boar	rd Review:  Town Clerk  Date

# **Detail of Issue/Request:**

Since the last revision was made concerning the collection of utilities, the Town has added solid waste collection and will soon be including storm drainage fees to the billings that go out monthly to our customers. This ordinance will clarify that we are consolidating all utility usage and fees on one statement, thereby making the total of those fees one debt. It also sets the way in which payments will be applied to that debt. Should any charges be left unpaid, the ordinance lists several remedies at the Town's disposal. Any or all of these remedies may be used to assure payment being received by the Town for services provided.

When water is shut off for nonpayment, we have only been requiring payment of amounts that are at least 45 days past due and an additional fee for restoring service. We are now requesting that water not be restored until all charges for fees and services for that property have been paid. We feel that this will eliminate the confusion of customers that have had their water shut off, are told an amount they need to pay to have service restored, and are on the shut off list again the next month. Feedback from those customers would suggest that they do not understand why they are told how much they need to pay, and are in the same situation one month later.

## **Legal/Political Considerations:**

At least one of Frederick's neighbors and several other communities along the Front Range have adopted consolidated billing and similar non-payment remedies to what are being proposed. Consolidated billing for municipal utilities eliminates the potential for residents to cherry-pick which utility services they will pay and the potential for disparate treatment of residents for the same payment deficiencies. Providing a list of the potential remedies enables the Town to put all residents on notice of the potential forms of enforcement, yet allows the Town flexibility in administering them within different areas of the Town's boundaries, as Town utilities are provided differently west of I-25.

## **Alternatives/Options:**

Leave collections as they are, and not address the billing for multiple services. Continue to let customers pay only a portion of the amount owed for services and fees when their service has been shut off.

## **Financial Considerations:**

N/A

#### **Staff Recommendation:**

Staff recommends adoption of the revised Town utility fee collection practices.